

Sl. No.	Particulars	UNAUDITED			AUDITED		
		3 Months ended 30.06.2008	3 Months ended 30.06.2007	6 Months ended 30.06.2008	6 Months ended 30.06.2007	12 Months ended 31.12.2007	12 Months ended 31.12.2007
1	Net Sales / Income from Operations	16,077.45	10,522.09	28,046.21	21,129.32	39,291.52	72,561.20
2	Other Income	947.20	10.62	1,714.10	10.62	429.96	13,923.65
3	Total Income	17,024.65	10,532.71	29,760.31	21,139.94	39,721.48	86,484.85
4	Total Expenditure	14,027.45	10,865.19	25,160.96	19,957.51	42,500.65	78,575.52
(a)	(Increase) / decrease in stock in trade	(173.43)	(200.70)	(83.75)	(426.95)	(937.22)	(6,173.97)
(b)	Consumption of materials	9,277.39	5,805.77	16,260.03	11,416.69	24,186.47	42,101.79
(c)	Staff cost	1,677.88	1,176.61	2,946.99	2,432.42	5,166.94	8,730.45
(d)	Depreciation	478.77	456.04	972.37	908.65	1,888.79	3,771.38
(e)	Other Expenditure	2,765.84	3,627.47	5,065.32	5,626.70	12,295.67	22,621.65
5	Interest	903.48	517.57	2,121.04	1,113.38	3,177.49	5,967.60
6	Exceptional Items	-	-	-	-	-	-
7	Profit / (Loss) before taxation (3) - (4)+5+6	7,682.33	(1,503.10)	9,662.72	(1,378.96)	(2,407.33)	5,398.47
8	Provision for Taxation - Current tax	-	653.05	653.05	74.00	1,948.01	(3,456.74)
	- Deferred tax	-	(404.00)	-	67.50	350.00	1,192.31
	- Fringe benefit tax	7.50	7.40	16.50	12.40	(67.00)	(673.66)
9	Profit / (Loss) after taxation (7-8)	(5,596.11)	1,018.15	(7,200.91)	1,794.11	(11,521.35)	(5,165.31)
10	Paid-up Equity Share Capital (Face value of Rs.10/-each)	4,005.00	3,495.40	4,005.00	3,495.40	3,500.40	3,500.40
11	Reserves excluding revaluation reserves	-	-	-	-	-	17,123.20
12	Basic & Diluted EPS (Rs.) (Not Annualised)	(14.51)	2.60	(19.60)	4.58	(33.98)	(15.57)
(a)	Basic EPS	(14.51)	2.23	(19.60)	3.95	(33.98)	(15.57)
(b)	Diluted EPS	(14.51)	2.23	(19.60)	3.95	(33.98)	(15.57)
13	Aggregate of Public Shareholding:						
(a)	Number of Shares	30,689,683	28,349,930	30,689,683	28,349,930	28,417,595	30,689,683
(b)	Percentage of Shares	76.63%	81.11%	76.63%	81.11%	81.18%	76.63%

Notes:

1 The above standalone results of the Company were reviewed by the Audit Committee and taken on record by the Board of Directors at their meeting held on July 22, 2008.

2 The Statutory Auditors have carried out a limited review of the standalone results.

3 Other income includes gain (net) on settlement / restatement of foreign currency trade receivables and payables, amounting to Rs.947.20 Lakhs for the quarter ended June 30, 2008.

4 Exceptional item includes foreign exchange fluctuation loss of Rs.7,682 Lakhs for the quarter ended June 30, 2008 arising on:

- a) Restatement of Foreign Currency Convertible Bonds and loans/advances given to subsidiaries out of such bonds amounting to Rs.3,831 Lakhs
- b) Restatement of External Commercial Borrowings of Rs. 667 Lakhs
- c) Mark to Market (MTM) provision on option contracts of Rs.2,810 Lakhs
- d) Derivative contracts of Rs.374 Lakhs

5 The Company has certain derivative contracts on which the determination of liability, if any, is dependant on the occurrence of future uncertain events relating to the exchange rates prevailing in November 2009 and June / July 2010 due to which, a reliable estimate of the losses (if any) cannot be made. Hence no provision has been made for an amount of Rs. 168 lakhs and Rs. 3,102 lakhs, respectively, for the quarter ended June 30, 2008 and half year ended June 30, 2008, being the 'Mark to Market' loss, indicated by the Bank as on June 30, 2008.

6 On Jun 17, 2008, the Company allotted 1,045,725 equity shares of Rs.10 each at a premium of Rs.390 per equity share upon conversion of equivalent number of fully convertible debentures.

7 Out of 200,000 options issued to certain eligible employees under the Strides Arcolab ESOP 2006 Scheme in April 2007, 40,000 options have lapsed during the quarter.

8 We draw attention to paragraph 'e' (read with paragraph 'd') of the Limited Review Report dated April 28, 2008 issued by the Statutory Auditors for the quarter ended March 31, 2008 wherein the non-provision of the 'Mark to Market' losses of Rs.2,935 Lakhs in respect of certain derivative contracts was a subject matter of qualification by the Statutory Auditors. The Company reiterates that these losses are based on occurrence of future uncertain events relating to exchange rates prevailing in November 2009 and June / July 2010, due to which a reliable estimate of the losses cannot be made and hence no provision was carried for the said losses.

9 The Company operates exclusively in the Pharmaceuticals business segment and as such there is no reportable segment information as per Accounting Standard 17.

10 Investor grievances received and disposed off during the quarter ended June 30, 2008:

- a) Pending complaints at the beginning of the quarter - Nil
- b) No. of Complaints received - 15
- c) Complaints disposed - 15
- d) Complaints unresolved - Nil

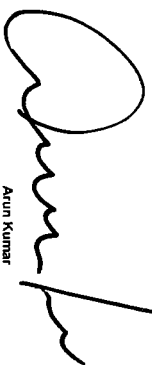
11 Previous year's / period's figures have been recast / restated wherever necessary to conform to the current year's / period's classification.

UNAUDITED CONSOLIDATED FINANCIAL RESULTS
FOR THE QUARTER ENDED JUNE 30, 2008

Rs. in Lakhs

Sl. No.	Particulars	UNAUDITED			AUDITED		
		3 Months ended 30.06.08	3 Months ended 30.06.07	6 Months ended 30.06.2008	6 Months ended 30.06.2007	12 Months ended 31.12.2007	12 Months ended 31.12.2007
1	Net Sales / Income from Operations	25,535.33	17,989.92	46,233.10	40,473.50	72,561.20	139,233.50
2	Other Income	1,375.45	52.89	2,690.55	52.89	1,375.45	4,429.96
3	Total Income	26,910.78	18,042.81	48,923.65	40,526.39	73,936.65	143,663.46
4	Total Expenditure	22,495.93	17,014.42	42,895.67	38,851.52	78,575.52	145,138.85
(a)	(Increase) / decrease in stock in trade	(2,027.88)	(608.96)	(2,871.37)	(2,871.37)	(6,173.97)	(4,210.17)
(b)	Consumption of materials	13,250.78	6,021.88	23,797.04	23,797.04	42,101.79	87,301.45
(c)	Staff cost	4,506.99	3,803.81	8,730.45	8,730.45	16,254.67	30,731.38
(d)	Depreciation & amortisation	1,077.83	961.96	2,116.52	2,116.52	3,771.38	7,542.73
(e)	Other Expenditure	5,688.21	5,617.29	11,123.03	11,123.03	22,621.65	45,621.65
5	Interest	990.81	1,485.04	2,650.80	1,485.04	5,967.60	11,935.20
6	Exceptional Items	-	-	-	-	-	-
7	Profit / (Loss) before taxation (3) - (4)+5+6	7,682.33	(1,503.10)	9,662.72	(1,378.96)	(2,407.33)	5,398.47
8	Provision for Taxation - Current tax	-	1,046.45	1,046.45	1,517.41	(3,456.74)	(3,456.74)
	- Deferred tax	507.85	(282.92)	815.99	815.99	1,192.31	1,192.31
	- Fringe benefit tax	45.68	54.38	76.91	76.91	(673.66)	(673.66)
	- Prior Year taxes	25.12	7.46	46.84	46.84	39.91	39.91
9	Profit / (Loss) after taxation (7-8)	(4,836.94)	1,567.53	(577.67)	(109.07)	(5,165.31)	(5,165.31)
10	Share of Profit / (Loss) of Minority Interest	(47.32)	-	(202.58)	-	152.71	0.64
11	Share of Profit / (Loss) in Associate	-	-	-	-	-	-
12	Consolidated Profit / (Loss) after Minority Interest & share from Associate	(4,884.26)	1,567.53	(780.25)	(109.07)	(5,318.02)	(5,318.02)
13	Basic & Diluted EPS (Rs.) (Not annualised)	(12.69)	3.00	(15.57)	0.54	(15.57)	(15.57)
(a)	Basic EPS	(12.69)	2.57	(15.57)	0.54	(15.57)	(15.57)
(b)	Diluted EPS	(12.69)	2.57	(15.57)	0.54	(15.57)	(15.57)

For and on behalf of the Board



Arun Kumar
 Vice Chairman & Group CEO

Bangalore, July 22, 2008